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21 February 1967

#### NRO REVIEW COMPLETED

#### MEMORANDUM FOR THE RECORD

SUBJECT: Briefing by the Director of CIA Subcommittees of Senate Armed Services and Senate Appropriations - Tuesday, 21 February 1967

l. The Director appeared before the CIA Subcommittees of Senate Armed Services and Senate Appropriations. The meeting started at 10:30 a.m. Present from the Subcommittees were:

Richard B. Russell, Chairman Carl Hayden Karl E. Mundt Milton R. Young Henry M. Jackson Strom Thurmond Margaret Chase Smith Stuart Symington

Senator John Stennis came in at the very close of the meeting. The invitees from Senate Foreign Relations Committee were:

J. W. Fulbright Mike Mansfield

Present from the staff were:

William Darden William Woodruff

The Director was accompanied by:

	R. J. Smith		25X1A
	Carl Duckett		20/1/
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The hearing room was subject to a technical sweep before the hearing and there was monitoring during the meeting. No transcript was taken.

2. Senator Russell announced at the opening of the hearing that Senators Jackson and Thurmond had been added to the CIA Subcommittee of Senate Armed Services. Senator Russell also reviewed the Senate relations with the Agency. He pointed out that in about 1955 the Agency had been reporting only to the Chairman of Senate Armed Services and the ranking minority member. With the increase in the importance of the Agency and its activities, he determined to establish a small Subcommittee and Senator Hayden, as Chairman of Appropriations, had also formed a Subcommittee. For convenience, these two Subcommittees had met jointly. Senator Russell pointed out that the Subcommittees had very scrupulously observed security and that there had never been any leaks of information. He wished to remind all members that discussions within the Subcommittees were privileged and should not be discussed

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- 3. Mr. Helms then briefed on the following topics, utilizing the attached briefing:
  - a. OXCART. Senator Russell inquired as to losses. It was stated that four aircraft had been lost in the program and in the most recent accident of two months ago, the pilot had been killed which was the only personnel loss. Mr. Helms explained carefully that proposals had been made to utilize OXCART both in Cuba and over China but that the Administration had disapproved. In responding to questions, the Director indicated the Administration was concerned about the appearance of escalation if used over China, and indicated that U-2 and

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was highly complimentary of the Agency's actions in developing this reconnaissance system.

	P.O.W.	COMMUNICATION.
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- d. ORBITAL BOMBARDMENT SYSTEMS.
- e. SOVIET AND CHINESE MILITARY DEVELOPMENTS.
- f. CHINESE CULTURAL REVOLUTION.
- g. CIA SUPPLEMENTAL APPROPRIATION. Senator Russell inquired about the Agency's efforts to be relieved of responsibility for the RDC program. The Director explained that there had been several letters to the Bureau of the Budget, that he has had extensive talks with Mr. Schultz and other people including discussions in the 303 Committee. Senator Russell agreed that it looked like Mr. Helms had done everything possible. There appeared to be a general consensus that the Agency should be out of this program. Senator Russell was particularly strong on this. At the same time, Russell made it clear that he believed that in some ways this effort was more important than the military effort. Senators Jackson, Young, and others agreed that this was a most important program but that the Agency should be out of it.
  - h. INTERNATIONAL UNION OF STUDENTS.

Mr. Helms completed his statement at about 11:25 a.m.

4. Senator Jackson referred to a recent article by Mr. Chamberlin indicating that Soviet missiles were being reshipped into Cuba. Mr. Helms stated that he was familiar with the article and that this matter had been looked into and in addition, of course, we had been following Cuba most closely. There is no substance to the thrust of the report that a recent Soviet cargo ship brought in medium range missiles. It was pointed out that there has been replacement of some of the SA-2s brought in some

years ago, and this is undoubtedly what has been reported and erroneously labeled medium range missiles.

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25X1C	them to Senator Fulbright. At this point, Senator Russell again reminded the Subcommittees of the sensitivity of the information particularly mentioning the dangers involved of careless statements in connection with the OXCART program and the P.O.W. Communications.

a letter asking about this. Senator Fulbright inquired whether we worked through or with the Peace Corps or Fulbright scholars. The Director stated that we did not, that we did not even debrief Peace Corps members. Senator Fulbright again raised the case which had been brought to his attention stating he had sworn testimony that a Fulbright scholar had been approached by the Agency to work with the Agency. Mr. Helms repeated that this was contrary to policy and that he was at a loss to go any further until Senator Fulbright identified the situation. Senator Fulbright said he did not feel he could do so.

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to answer some of the specific questions and eventually it was agreed that we would supply the detailed information to the Chairman. Senator Thurmond's questions are listed below:

#### Optional Questions for Mr. Helms

- 1. What is the total level of funding for the CIA in Fiscal Year 1968 and how much of that is for administrative expenses, such as salaries, and how much is for operations?
- 2. Of the funds going to <u>operations</u>, how much is earmarked for expenditure in the United States and how much for foreign countries?
- 3. Name of the individuals, groups, and foundations used as conduits for funds for operational purposes and recipients of such funds.

#### Questions for Helms

1. Do you interpret the law governing CIA activities to require all policy guidance which directs the activities of the CIA to come from the National Security Council?

#### (If answer is yes, then ask:)

(a) If so, what <u>directive</u> of the National Security Council authorized the <u>CIA</u> to <u>subsidize</u> funds to be used as conduits through which to channel funds to other groups?

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25X1C	(If answer is no, then ask:)

(ANSWER SHOULD BE STATE DEPARTMENT)

- 2. The National Security Council meets infrequently. Where does the CIA get its day-by-day policy guidance to meet situations which arise and demand immediate attention, in the absence of an opportunity to present the problem to the National Security Council?
- 3. Would you give us the details on the policy guidance governing aid to student organizations, such as what sort of organizations you will subsidize?

25X1C	4.	Have you received any indication about future policy in the light of the present disclosures?

18	. The meeting concl	uded at 1:00 p.m.
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Att.		Legislative Counsel

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